

EVENT VIOLATION
INSPECTOR'S STATEMENT
MINERALS REGULATORY PROGRAM

Company/Mine: Staker & Parson Companies/Beck St.
 Permit #: M/035/002
 19

CO # N07-058-02
 Violation # 1 of 1

SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation**. Mark and explain each event.

- | | | |
|-------------------------------------|----|--|
| <input type="checkbox"/> | a. | Activity outside the approved permit area. |
| <input type="checkbox"/> | b. | Injury to the public (public safety). |
| <input type="checkbox"/> | c. | Damage to property. |
| <input type="checkbox"/> | d. | Conducting activities without appropriate approvals. |
| <input checked="" type="checkbox"/> | e. | Environmental harm. |
| <input type="checkbox"/> | f. | Water pollution. |
| <input checked="" type="checkbox"/> | g. | Loss of reclamation/revegetation potential. |
| <input type="checkbox"/> | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/> | i. | No event occurred as a result of the violation. |
| <input checked="" type="checkbox"/> | j. | Other. |

Explanation: Operator was not conducting mining operations according to the approved NOI. Active mining is not occurring at the southern highwall area, and no measures are being employed to ensure it is environmentally stable and safe.

2. Has the event or damage occurred? No
 If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: The potential damage to the southern highwall area is likely to occur. Having a disturbed 58° highwall that is unmanaged to ensure environmental stability and safety is unreasonable. The operator implements blasting as part of their mining operations, which can trigger failures. About two years ago, a neighboring property boulder dislodged from an area near the highwall and did cause damage. It is likely blasting could have influenced the event. The area is currently not being mined, and there has been no effort to implement any methodologies to demonstrate the highwall area is stable and safe while it is not being utilized. The NOI committed to testing the fines that may be used as growth media. It was observed during the Oct. 4, 2007 inspection that the Operator had been stockpiling large quantities of the fines, not knowing their suitability as growth media. Since the plan commits to using the fines as fill on the pit floor, it must be determined whether or not the fines are suitable as growth media. The Operator generates on average 15000 tons of fines per year. The reclamation plan requires

approximately 155687 cubic yards of growth media , therefore it is critical for the success of the plan to determine the suitability of the fines as growth media. It is highly likely that the fines may not be suitable as growth media without mixing with other materials. The plan states signs will be placed at the growth media piles, they were not in place.

3. Did any damage occur as a result of the violation? No

If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: To be unable to achieve the reclamation plan as a result of inadequate growth media materials is a significant concern. The south highwall area is not currently being mined, yet the operator not ensuring it is kept environmentally safe and stable will likely result in ongoing degradation of the area and an increase in liability. This area will undergo deterioration and degradation if not addressed in a timely manner. If measures are not taken now, the damage potential is extensive and will impact the public.

B. DEGREE OF FAULT (Check the statements which apply to the violation and discuss).

- ☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: _____

- ☒ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: The Operator was notified within the context of the Inspection Report of October 4, 2007 with follow-up letters consistently thereafter. The Operator had over two months to address the issues, but failed to follow through which demonstrates a lack of reasonable care and an indifference to DOGM regulations. There was a Nov. 2007 meeting with the Operator outlining more specifically what actions were required to address the issues and the Operator fully lacked the diligence to address the issues and take any action at that time.

- ☐ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: _____

- ☒ Was the operator in violation of a specific permit condition?

Explanation: Yes, permit sections 4.6, 9.1, 7.2, and 4.3

- ☒ Has DOGM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation: Yes, October 4, 2007 Inspection Report, October 10, 2007 Division letter, November 5, 2007 meeting, November 27, 2007 Division letter. These are not citations, but outlining the actions required by the Operator to ensure compliance.

Was any economic benefit gained by the operator for failure to comply? Yes
If yes explain.

Explanation: To implement any actions require costs. Following through with any of the requirements will not produce a direct economic benefit to the Company.

GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: Operator has requested an extension until January 10, 2008 for items 1 & 3. Item 2, compliance was rapid and topsoil signs were in place within five-days of the date of the violation.

2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation: No. Operator must contract some of the work and order the signs


3. Was the submission of plans prior to physical activity required by this NOV / CO? If yes, explain.

Explanation:

Event Violation Inspector's Statement

NOV/CO # N2007-58-01
Violation # 1 of 1

BETH ERICKSEN
Authorized Representative


Signature

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Date

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